

ATTORNEY DEVELOPMENT PLAN



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ATTORNEY DEVELOPMENT PLAN

WHAT IS THIS ALL ABOUT?

- ✓ Developing talented and motivated lawyers
- ✓ Ensure the best attorneys stay with the firm
- ✓ Building a high performance culture

ATTORNEY DEVELOPMENT PLAN

WHAT DOES IT TAKE?

- ✓ Equity member commitment
- ✓ Associates and Income Members have to perform
- ✓ Honestly evaluate performance

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HOW IS IT ACCOMPLISHED?

- ✓ The right recruiting strategy
- ✓ The right evaluation and feedback systems
- ✓ Priority training and development (the best and the rest)

ATTORNEY DEVELOPMENT PLAN

HOW IS IT ACCOMPLISHED?

- ✓ Short and long term incentives
- ✓ Placing the right people in the right roles
- ✓ Advancement criteria

MAIN COMPONENTS OF AN ATTORNEY DEVELOPMENT PLAN



EVALUATION AND FEEDBACK

SUBJECTIVE CRITERIA

- Quality of professional work
- Client relations and service
- Personal development
- Business development efforts
- Profile building
- Administrative compliance
- Training and teaching
- Firm values

EVALUATION AND FEEDBACK

OBJECTIVE CRITERIA

- Billable hours
- Timekeeper profitability
- Business credit
 - Managing/billing profitability
 - Originating profitability

EVALUATION AND FEEDBACK

REWARDS

BUILDING LONG TERM VALUE

PROFIT CONTRIBUTIONS

SUBJECTIVE	OBJECTIVE
More salary emphasis	Less salary emphasis
Less bonus recognition	More bonus recognition
Equal Advancement weight	Equal Advancement weight

EVALUATION AND FEEDBACK

DATA COLLECTION AND ANALYSIS

- Online Form - demonstration
- Grading Scale
- Practice Level
- Performance Measures

EVALUATION AND FEEDBACK

ANALYTICS

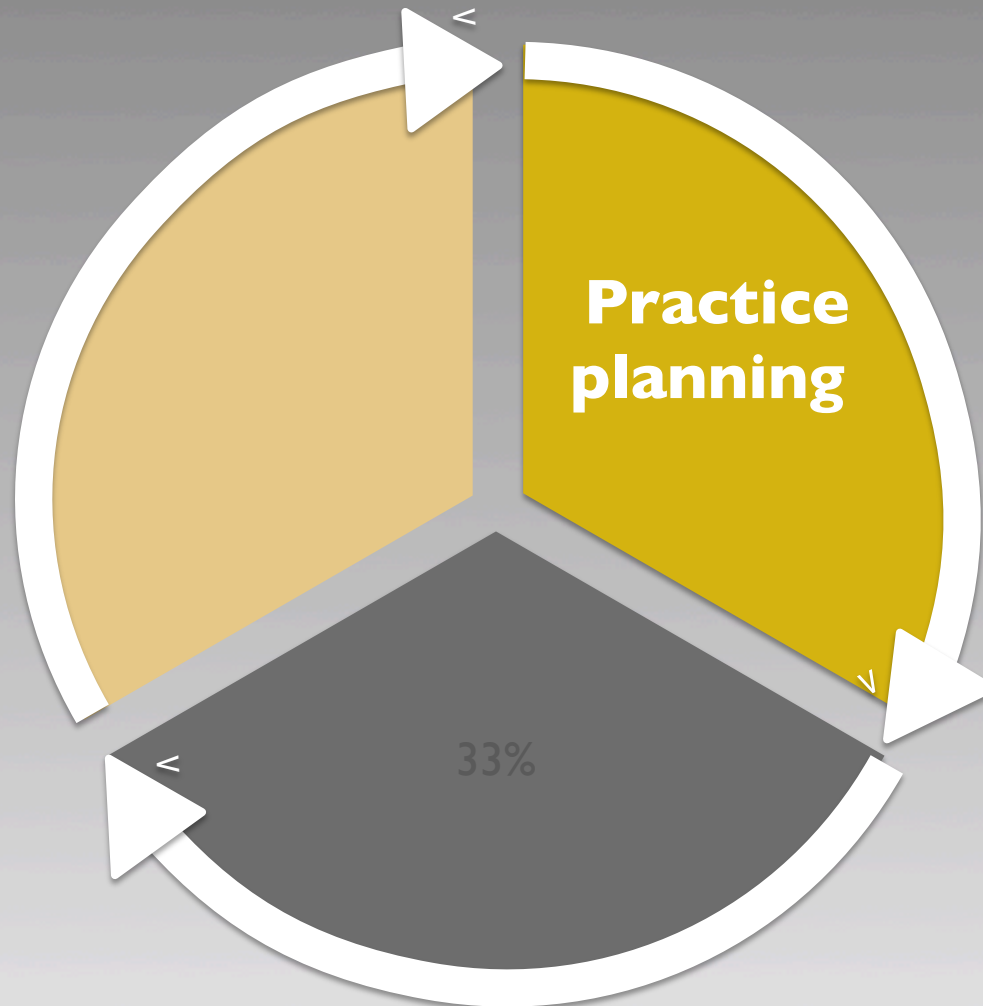
- Evaluation score summaries
- Peer comparisons
- Progression measurements

EVALUATION AND FEEDBACK

FEEDBACK

- Sharing results – view graphics
- Progression toward partnership (based on criteria)
- Performance improvement plans
- Individual meetings

MAIN COMPONENTS OF A ATTORNEY DEVELOPMENT PLAN



PRACTICE PLANNING PROCESS

WHAT IS A PRACTICE PLAN?

- Non billable time investments
- General investments
- Firm specific investments

PRACTICE PLANNING PROCESS

PLAN DEVELOPMENT CONTEXT

- Years 1 – 5 heavily influenced by the members
- After year 5
 - Attorney choices aligned with the firm's opportunities
 - Personal choices balanced with the firm's needs
 - As a lawyer matures, more latitude is afforded

PRACTICE PLANNING PROCESS

PLAN DEVELOPMENT CONCEPTS

- Shared vision of success
- Train associates to view career strategically
- Focus efforts according to potential

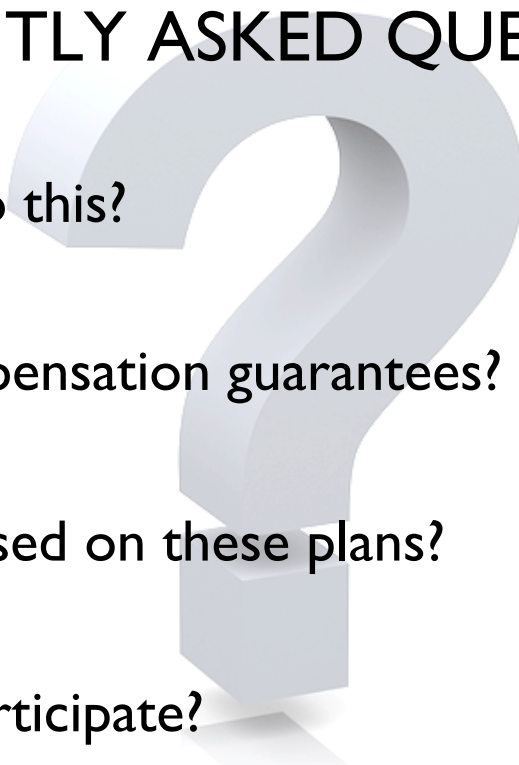
PRACTICE PLANNING PROCESS

SAMPLE PLAN REVIEW

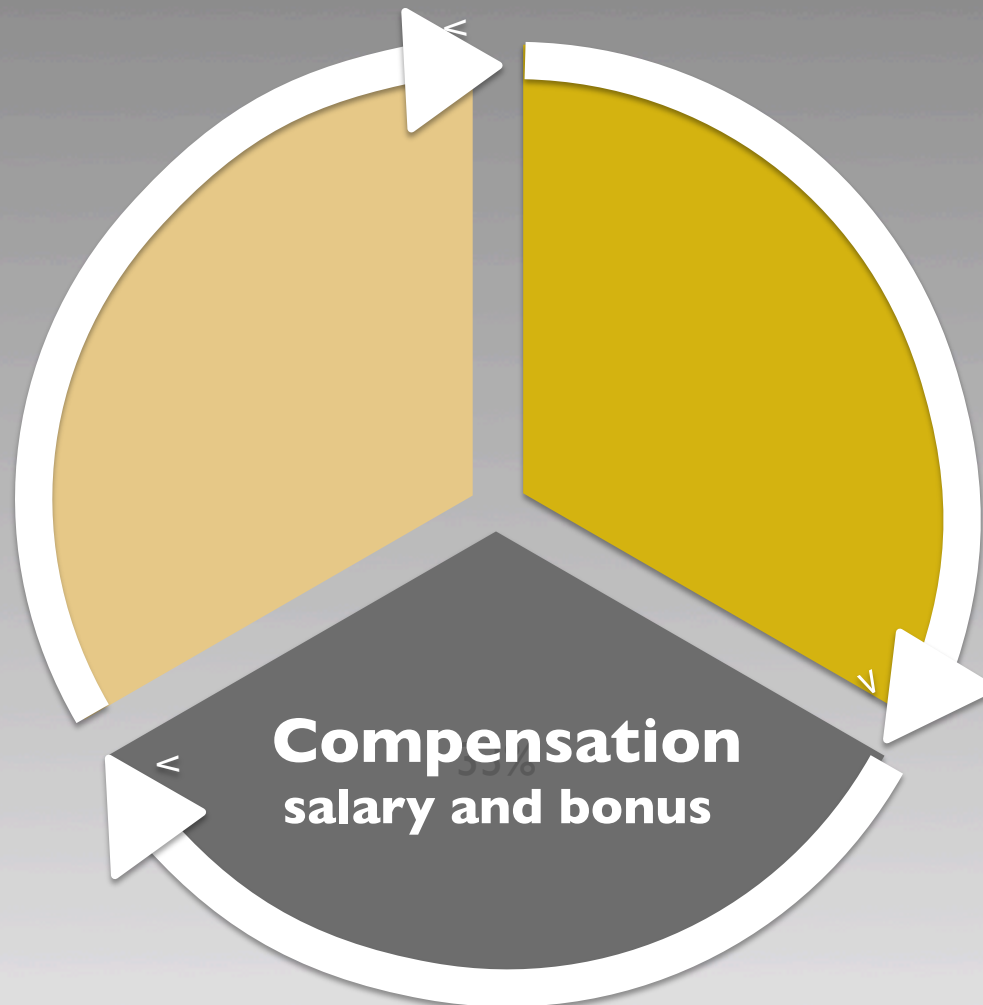
- Economic summary – sample plan
- Plan detail
- Frequency

PRACTICE PLANNING PROCESS

FREQUENTLY ASKED QUESTIONS

- 
- Do people really do this?
 - Are there any compensation guarantees?
 - Is compensation based on these plans?
 - What if I do not participate?

MAIN COMPONENTS OF A ATTORNEY DEVELOPMENT PLAN



ATTORNEY DEVELOPMENT PLAN

**Associate/IP
compensation
and bonus plan
philosophy**

Competitive base
salaries

Performance based
bonuses

Goal is to reward
hard work and
increased value to clients

Compensation
philosophy



Base compensation
long term value



Bonus
short term
performance

Associate/ IP Bonus Plan Recap

Objective

Objective factors

Billable Hours

Profitability

Leverage

Bonus basis

Billable Hours

**Individual
Profits**

**Leverage
Profits**

Subjective

Associate/ IP Bonus Plan

Objective

Subjective

Subjective - optional

PD efforts

Specific
contributions

Bonus

Determined by committee

Pre-determined scale

MEMBERSHIP ADMISSION CRITERIA

Associate progression
to income partner

Income partner to
to equity partner

PROMOTION TO INCOME PARTNER

COMMON CRITERIA

- Minimum of 5 years with the firm
- Ability to grow existing firm business
- Bar or civic association leadership
- Speaking and publishing success

PROMOTION TO INCOME PARTNER

COMMON CRITERIA

- Recruiting support
- Composite score of 4.0 on a 5.0 scale
- Ability to leverage other lawyers and paralegals
- Economically viable

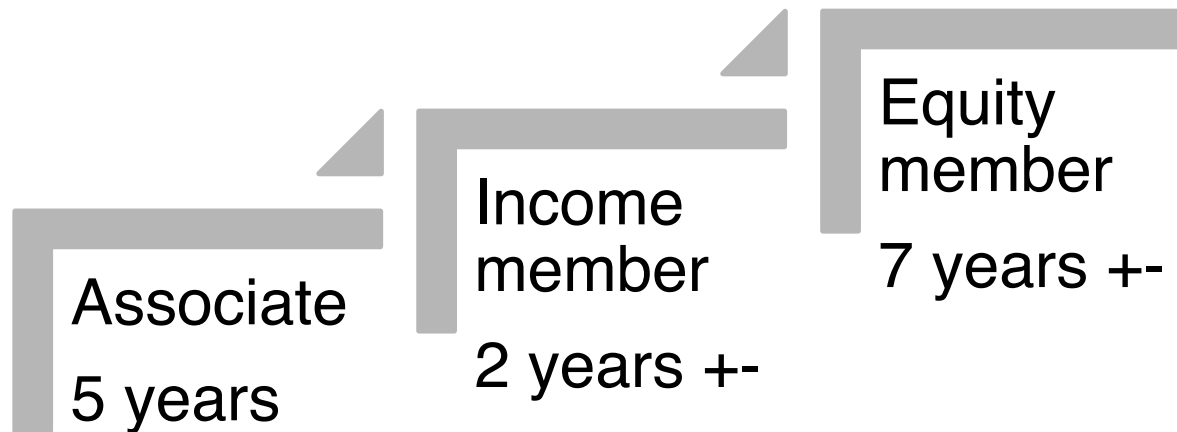
INCOME PARTNER TO EQUITY PARTNER

COMMON CRITERIA

- Continued satisfaction of income member requirements
- Annual originations of \$350,000
- Newly originated recurring billings of at least \$75,000

PROGRESSION TO PARTNERSHIP

TIMELINE



ORIGINATION FUNDAMENTALS

BOOK OF BUSINESS DEFINED

- Business originated and controlled
- Inherited business through a succession or strategic plan
- Certain client sharing credits

ORIGINATION FUNDAMENTALS

BOOK OF BUSINESS DOES NOT INCLUDE

- Business without opportunity cost

ORIGINATION FUNDAMENTALS

COMPONENTS OF A SAMPLE BOOK

- Business that you originate should be at least 50%
- Business that you inherit or share in 45%
- Nominal client credits from other partners 5%



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